

UNITED STATES DISTRICT COURT
THE SOUTHERN DISTRICT OF NEW YORK

TOTAL SPORTS RESOURCES, LLC
and FOREIGN RESOURCES CORPORATION,

Plaintiffs,

v.

HARTWELL INDUSTRIES, INC.,

Defendant.

No. 08 CV 5865 (MGC)

ECF

DECLARATION OF
ROBERT DAVIES

I, Robert Davies, being first duly sworn according to law, depose and states that:

1. I am the Chief Financial Officer at Hartwell Industries ("Hartwell"). I submit this affidavit in support of Hartwell Industries' Motion to Dismiss the Complaint of Total Sports Resources ("TSR") and Foreign Resources Corporation ("FRC," collectively, the "plaintiffs.").
2. Hartwell Industries began working with plaintiffs in 2005, when Hartwell sought to introduce a new line of athletic wear to freshen up its image in the athletic market.
3. Our business relationship with plaintiffs consists of plaintiffs serving as Hartwell's broker, working with factories overseas to provide athletic wear products. Hartwell Industries pays plaintiffs a Commission for its services, and then Hartwell resells the products, either as a blank good or after decorating the product.
4. Plaintiffs and Hartwell entered into the Exclusive Distributor Agreement ("Distributor Agreement") in December, 2005. The Distributor Agreement was drafted by Hartwell's attorneys at Thielen, Reid, Brown, Raysman & Steiner LLP. We negotiated certain terms of this contract with plaintiffs prior to obtaining their agreement. Plaintiffs never objected to the inclusion of the forum selection clause.

5. Hartwell always considered this Agreement as between Hartwell and TSR, which is a division of FRC. This is reflected at the beginning of the agreement, which states:

This Exclusive Distributor Agreement ("Agreement") is entered into as of 12-11-05 (the "Effective Date") by and between **Hartwell Industries, inc.**, a Delaware corporation, located at 97 Winfield Circle, Hartwell Georgia 30643 ("Hartwell"), and **Total Sports Resources**, a division of **Foreign Resources Corporation**, a corporation with offices located at 500 7th Ave. 5th floor New York, NY 10019 (the "Company")

6. While I participated in the negotiations of the terms of the Distributor Agreement, my colleague, Jody Tanner signed it. It was also signed by Jason Kra, the owner of both TSR and FRC. A true and accurate copy of an online biography of Jason Kra – noting he is the President and Owner of Total Sports Resources and Foreign Resources Corporation – is attached hereto as Exhibit A.

7. I have always understood TSR and FRC to be essentially the same entity, doing the same business. Letters we have received as to issues pertaining to both TSR and FRC are signed using the letterhead of TSR. An example of one such letter is attached as Exhibit E to the Affidavit of Jerry Chichelo.

8. To my knowledge, the Distributor Agreement fully incorporates the contractual relationship between Hartwell and plaintiffs as previously defined in the Buying Agency Agreement. Both Agreements appoint plaintiffs as the buying agent for Hartwell's products and both provide that plaintiffs shall get an 8% commission on such product deliveries.

9. Plaintiffs' argument that the Buying Agency Agreement covered all products on a worldwide basis, whereas the Distributor Agreement only covered athletic apparel in the United States is misleading. Hartwell never used plaintiffs as a buying agent or distributor for any products other than athletic wear, so any attempt to distinguish athletic apparel and outerwear is futile.

10. Also, while the Distributor Agreement provided that plaintiffs would be the exclusive distributor of Hartwell's athletic apparel in the United States, we included this provision in the contract in order to prevent plaintiffs from selling similar or identical product into our marketplace. This provision has no impact on where plaintiffs could buy the products for Hartwell. Hartwell was always able buy the athletic products in factories "worldwide," which is consistent with both agreements.

11. To my knowledge, for as long as the Distributor Agreement has been in effect, there has been no business conducted between Hartwell and plaintiffs that is not contemplated by the Distributor Agreement.

12. With respect to plaintiffs' claims in this lawsuit, contrary to the statements in the Jerry Chichelo's affidavit, Hartwell does in fact dispute plaintiffs' claims.

13. Since we contracted with plaintiffs as a buying agent, we have had many problems with the quality of the product they have provided. Plaintiffs frequently delivered to us garments in the wrong size and color, and sometimes with fabric that did not meet quality specifications. The problems with the quality and sizing of the garments we received have been memorialized in Quality/Count Audit Reports. A true and accurate copy of several example Quality/Count Audit Reports are attached as Exhibit B.

14. As a result of the problems, Hartwell had to return products to plaintiffs and had to conduct an independent inspection in New Jersey before the products were delivered to Hartwell. True and accurate copies of emails from plaintiffs acknowledging these problems and setting forth new quality control protocols are attached as Exhibit C.

15. During 2007, the quality problems continued, as did the delays in receiving shipments. In addition, we received fabric that did not conform to specifications and had

improper color variations. Because these problems caused harm to Hartwell and its ability to maintain business relationships with its customers, Hartwell withheld payment of commission invoices issued by plaintiffs. Plaintiffs are not entitled to receive commissions or fees for delivering defective products or products that did not conform to the specifications in the purchase orders.

16. Hartwell canceled purchase orders after receiving defective fabric samples from plaintiffs. Hartwell maintains that it does not owe plaintiffs for any repurchased fabric Hartwell did not specifically order or for damaged fabric.

17. While Hartwell has attempted to settle a certain portion of these claims with plaintiffs, Hartwell has not conceded liability on any of the breach of contract claims as described in the Complaint.

18. Additionally, even if we did owe them for the commissions and cancelled purchase orders they claim to be owed, plaintiffs' calculations for liability and commissions owed are incorrect. For example, in Count I (and as restated in Count III), plaintiffs claim that Hartwell owes for unpaid Commission Invoices from 2007 totaling \$79,831. But Hartwell's records show that the maximum amount of commissions withheld only totaled \$68,777. A true and accurate copy of an accounts payable report reflecting this is attached hereto as Exhibit D.

I declare under penalty and perjury under the laws of the United States of America that the forgoing is true and correct.

Dated: August 18, 2008
Hartwell, Georgia


ROB DAVIES

Sworn to before me this

18 day of August, 2008.

Notary Public

Jessa D. Burndress

My Commission Expires: 12-15-2010

EXHIBIT A

Search

Accounting & Financial Analysis	Consumer Goods & Services	Energy & Industrials	Financial & Business Services	Healthcare	Legal, Economic & Regulatory Affairs	Real Estate	
Technology, Media & Telecom							

Home > Consumer Goods & Services > Experts > Jason Kra

Consumer Goods & Services

Overview

Leading Experts

GLG Council Partners

Study Groups

GLG News

Automotive
Consumer Services
Food & Beverage
Gaming & Casinos
Leisure & Lodging
Restaurants
Retail
Retail Manufacturing

GLG Educational Events

Industry Dictionary

Popular Topics in Consumer Goods & Services

Casual Dining Industry

Consumer Electronics

Cosmetics Industry

Cruise Line Industry

For-Profit Education

Gaming Industry

Organic Food Distributors

Retail Department Stores

Specially Merchandising

Tiered Automotive Industry

Subscribe to Updates in Consumer Goods & Services

 By Email By RSS Google My Yahoo! Bloglines

The Expertise Imperative and Compliance Technology

Access to a diverse array of specialized expert inputs drives superior decisions in every organizational context: within corporations, by investors and consultancies, and within nonprofits. When decision makers are confident of their decision inputs, they can respond more quickly and creatively to challenges and opportunities. Learn more about GLG's Compliance Framework

This page may include content provided by Council Members, your access to which is subject to the Terms of Use.

Find Out More

Jason Kra

Leader 591



Owner

Total Sports Resources

Member of the Retail Council

Jason Kra is the President and Owner of Total Sports Resources and Foreign Resources Corporation (FRC), an apparel manufacturer in the USA and a supplier to virtually every major specialty apparel retailer, department stores, & discounters, since 1993. FRC is a US\$ 225MM manufacturer of outerwear and lifestyles bottoms. Here, Mr. Kra oversees sourcing, production and sales to a variety of retailers, including Wal-Mart, Kmart, J.C. Penney, Kohl's, Shopko, Bonton, Target, EMS, Academy, Finishline, Foot Locker, Dickies, Walls, Sizes Unlimited, Gottschalks, Cabela's, Bass Pro Shops, Goody's, Cato, Hanes, Wal-Mart Canada, Reitmans (Canada), Zellers (Canada), Anchor Blue, Federated, VF, Sports Authority, Sears, Gap, J Crew, Abercrombie & Fitch, Aeropostale, Pacific Sunwear, Delia's, American Eagle Outfitters, Charming Shoppes, Hollister, Old Navy, Urban Outfitters, Burlington, Zumiez, Russell, & others. He is familiar with all aspects of the apparel industry, including Asian sourcing and high-end luxury goods. Mr. Kra is also the President/Owner of FRC Sportswear which he started in 1995. (This is me - Update Profile)

Employment History

2005 - present	Owner Total Sports Resources
2000 - present	Owner FRC Sportswear
1993 - present	Owner Foreign Resources Corporation

GLG Study Groups with Jason Kra (?)

Study Group Name	Members
Direct Mail Marketing Experts	371
Direct Mail Marketing Experts (North America)	344
Sears and Kmart Real Estate Experts	56
Warehouse Club Experts	220
View All Study Groups with Jason Kra	

GLG NewsSM Analyses by Jason Kra (?)

Opinions and analyses expressed in GLG News are solely those of the author. See the Terms of Use for details.

Kohls will surely succeed w/ Vera as they did w/ Chaps & Daisy |

08-03-2007

Analysis of: Vera Wang Set to Dress Up Kohl's | [crlonline.wsj.com](#)

Author: Jason Kra, Owner, Total Sports Resources

Relevant names but private label control will generate sure results for kohls in this new brand. branded product created specifically for Kohls is like branded retail w/ a private label mentality of control. This will be a huge success for Kohls and will follow other...

GLG InstituteSM Seminars with Jason Kra (?)

Jason Kra has not participated in any GLG Institute Seminars.
[View all GLG Institute Seminars in Consumer Goods & Services](#)

Request a project with Jason Kra

Describe your project request



Select a project type:

Consultation
 In-person meeting
 Written report

Your email address

GLG's 750+ Clients Include:

40 of the leading 50 global mutual funds

15 of the leading 20 global banks

8 of the leading 10 private equity firms

90%+ client subscription renewal rate

[Become a GLG Client](#)[Become a GLG Council Member](#)[Enroll Your Firm as a GLG Council Partner](#)[Set Institutional Consulting Policies](#)

© 2008 Gerson Lehrman Group. All Rights Reserved. [Terms of Use](#) | [Privacy Policy](#) | [Site Map](#) | [Site Index](#)

[GLG Councils](#) | [GLG Institute](#) | [GLG News](#) | [GLG Research Management Platform](#)

EXHIBIT B

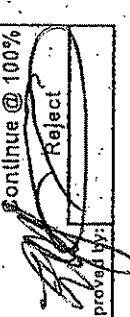
HARTWELL
INDUSTRIESTM
Quality/Audit Report
AQL 4.0

Cut Number EM-110

Style AG-531m
Color 006
Date 11-13-06
Inspector mt
Contractor

UPC	Quantity			
Case #	Size	Scan	Barcode	Actual
1 0217	XL	/	48	48
Quantity Received <u>432</u>				
Sample Size Required <u>20</u>				
Maximum Major Defects <u>2</u>				

Defect Codes	
Pass	Continue @ 20%
Reject	Continue @ 100%

Final Decision Approved by: 

Defect Codes

- 1) Fabric
- 2) Mfg.
- 3) Finish
- 4) Tickets/Tags
- 5) Oil/Sol.
- 6) Measurements
- 7) Mixed Styles
- 8) Mixed Colors
- 9) Mixed Sizes
- 10) Other

Comments
4-Qi band
① Labeled XL meas. 2X
① Wrong sides on Back
① Shoulder uneven
? white at Bottom
Send Back to Contractor for the above

HARTWELL

INDUSTRIES

Quality/Count Audit Report
AQL 4.0

Cut Number Em-100A

Style AG 101m
Color 637
Date 1/13/06
Inspector mT
Contractor

Quantity Received 792
Sample Size Required 32
Maximum Major Defects 3

Final Decision Approved by: MH

	UPC	Quantity	Case #	Size	Scan	Barcode	Actual
1	9082	m	1	20	✓	60	
2			2				
3			3				
4			4				
5			5				
6			6				
7			7				
8			8				
9			9				
10			10				
11			11				
12			12				
13			13				
14			14				
15			15				
Total							

	Inspected	Cumulative	Defects	Cumulative	Code	Comments
1	32	32	23	23		Mixed Dye
2						3 -Richard
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						

Other Notes / Comments:

5-17 AG 117m - 2 - m
m-17 3 - L
L-14
m-6
3X 1 - David 2 x - mae m
Send Back to contractor for the above

Defect Codes

- 1) Fabric
- 2) M/g.
- 3) Finish
- 4) Tickets/Tags
- 5) Oil/Soil
- 6) Measurements
- 7) Mixed Styles
- 8) Mixed Colors
- 9) Mixed Sizes
- 10) Other

HARIWELL
INDUSTRIESSM
Quality/Audit Report
AQL 4.0

Page 1 of _____

Cut Number EM-101AStyle AC101YmColor 637Date 11-11-06Inspector MTContractor

5

6

7

8

9

10

11

12

13

14

15

Total

Quantity Received 432Sample Size Required 20Maximum Major Defects 2

Defect Codes

Comments

Inspected 20Cumulative 8Defects 8Cumulative 8

Code

Comments

12 - Cutters - Some

13 - Sm in Bay

14 - Reject

15 -

16 -

17 -

18 -

19 -

20 -

21 -

22 -

23 -

24 -

25 -

26 -

27 -

28 -

29 -

30 -

31 -

32 -

33 -

34 -

35 -

36 -

37 -

38 -

39 -

40 -

41 -

42 -

43 -

44 -

45 -

46 -

47 -

48 -

49 -

50 -

51 -

52 -

53 -

54 -

55 -

56 -

57 -

58 -

59 -

60 -

61 -

62 -

63 -

64 -

65 -

66 -

67 -

68 -

69 -

70 -

71 -

72 -

73 -

74 -

75 -

76 -

77 -

78 -

79 -

80 -

81 -

82 -

83 -

84 -

85 -

86 -

87 -

88 -

89 -

90 -

91 -

92 -

93 -

94 -

95 -

96 -

97 -

98 -

99 -

100 -

101 -

102 -

103 -

104 -

105 -

106 -

107 -

108 -

109 -

110 -

111 -

112 -

113 -

114 -

115 -

116 -

117 -

118 -

119 -

120 -

121 -

122 -

123 -

124 -

125 -

126 -

127 -

128 -

129 -

130 -

131 -

132 -

133 -

134 -

135 -

136 -

137 -

138 -

139 -

140 -

141 -

142 -

143 -

144 -

145 -

146 -

147 -

148 -

149 -

150 -

151 -

152 -

153 -

154 -

155 -

156 -

157 -

158 -

159 -

160 -

161 -

162 -

163 -

164 -

165 -

166 -

167 -

168 -

169 -

170 -

171 -

172 -

173 -

174 -

175 -

176 -

177 -

178 -

179 -

180 -

181 -

182 -

183 -

184 -

185 -

186 -

187 -

188 -

189 -

190 -

191 -

192 -

193 -

194 -

195 -

196 -

197 -

198 -

199 -

200 -

201 -

202 -

203 -

204 -

205 -

206 -

207 -

208 -

209 -

210 -

211 -

212 -

213 -

214 -

215 -

216 -

217 -

218 -

219 -

220 -

221 -

222 -

223 -

224 -

225 -

226 -

227 -

228 -

229 -

230 -

231 -

232 -

233 -

234 -

235 -

236 -

237 -

238 -

239 -

240 -

241 -

242 -

243 -

244 -

245 -

246 -

247 -

248 -

249 -

250 -

251 -

252 -

253 -

254 -

255 -

256 -

257 -

258 -

259 -

260 -

261 -

262 -

263 -

264 -

265 -

266 -

267 -

268 -

269 -

270 -

271 -

272 -

273 -

274 -

275 -

276 -

277 -

278 -

279 -

280 -

281 -

282 -

283 -

284 -

285 -

286 -

287 -

288 -

289 -

290 -

291 -

292 -

293 -

294 -

295 -

296 -

297 -

298 -

299 -

300 -

301 -

302 -

303 -

304 -

305 -

306 -

307 -

308 -

309 -

310 -

311 -

312 -

313 -

314 -

315 -

316 -

317 -

318 -

319 -

320 -

321 -

322 -

323 -

Case Problems

Customer:

Outside Style/Color	Size	Qty	Inside Style/Color	Size	Qty	Out #	Comments
AG509M-303	2XL	50	AG509M-303	3XL	50	FM-1DT	
AG127M-030	XL	48	AG127M-030	XL	40	FM-103	
AG509M-450	M	42	AG509M-450	M	13	PM-104	
AG509M-410	L	42	AG509M-410	L	43	"	
AG509M-450	L	42	AG509M-450	L	40	"	
AG509M-1001	XL	34	AG509M-1001	XL	23		
AG509M-405	S	42	AG509M-405	S	14	"	
AG509M-070	XL	43	AG509M-070	XL	44	"	
AG509M-450	XL	43	AG509M-450	XL	43		
	2XL	21		2XL	22		
AG401M-410	L	30	AG401M-410	L	28	PR-011	
			AG401M-101	XL	1		
			AG401M-190	XL	1		

10

Case Problems

Customer:

Outside Style/Color	Size	Qty	Inside Style/Color	Size	Qty	Cut #	Comments
AG400M-405	XL	34	AG400M-405	XL	33	FR-011	
AG400M-313	M	34	AG400M-313	M	35	"	
AG400M-504	L	34	AG400M-504	XL	1		
AG400M-410	2XL	34	AG400M-410	2XL	35	"	
AG400M-405	L	34	AG400M-405	XL	4		
AG400M-313	L	34	AG400M-313	L	31	"	
AG400M-405	M	34	AG400M-405	M	35	"	

EXHIBIT C

Richard Isbel

From: "JERRY CHICHELO" <JCHICHELO@Totalsportsresources.com>
To: "Michel Kuzmowycz" <mkuzmowycz@hartwell.com>; <rjohnson@hartwell.com>; "Richard Isbell" <risbell@hartwell.com>; "Laura Cornelison" <lcornelison@hartwell.com>; <jtanner@hartwell.com>
Cc: "JASON KRA" <JKRA@FRCNY.NET>
Sent: Friday, November 24, 2006 6:44 PM
Attach: Jerry Chichelo.vcf
Subject: HARTWELL MEETING 11/14 FOLLOW UP

Michel,

Follow up from our meeting regarding A GAME shipment:

- 1) TSR will pick up the shipment from you 11/20 and bring to Statco whse in NJ to inspect every piece and send back what passes. The shipment has arrived 11/22 and Richard Isbell will meet me there Tuesday to go over with Staco what to look for when inspecting. All expenses will be paid by TSR.
- 2) Once you receive product back and review your inventory send us what you must have to fill orders pending and we will fly it in. TSR expense

As I said in the meeting we are very upset what happened and put the following things in place with the factory:

- A) Will use SGS inspection at 2.5AQL during and after shipment is completed
- B) Will put extra QC personnel in place from our office plus factory to inspect shipment quality, packing etc.
- C) Jason has made a trip to factory the week of 11/6 and I will be flying there on 12/1 to inspect.
- D) The factory owner and manager flew in on 11/20 to spend a day reviewing issues and going over action plan to ensure this does not happen again.

If you have any questions please call me.

Thank you,

Jerry Chichelo
Total Sports Resources
500 7th Ave. 5th Floor
Between 37th and 38th
New York, NY 10018
P- 212-840-3600
F- 212-840-0613
jchichelo@totalsportsresources.com



FOREIGN RESOURCES CORP.

500 7 AVE (5TH FLOOR)
NEW YORK, N.Y. 10018
TEL: 212-840-3600
FAX: 212-840-0613
E-MAIL: rretblatt@frcnny.net

TO:HARTWELL

DATE: 11/30/06

ATTN: RICHARD ISBELL

FROM: RICHARD RETBLATT

RE: HARTWELL INSPECTION RECAP AT STATCO

HI RICHARD,

AS PER OUR MEETING THE OTHER DAY AT OUR STATCO WAREHOUSE IN N.J., REGARDING THE FULL INSPECTION OF YOUR GOODS, FRC HAS AGREED TO DO THE FOLLOWING;

- 1) ****MAIN PRIORITY
CARTONS MUST BE MARKED CORRECTLY REGARDING
 - A) SOLID COLOR & SOLID SIZE
 - B) QTY INSIDE CARTON MATCHES OUTSIDE CARTON MARKING
 - C) LABEL AND HANGTAG WILL BE SAME REGARDING SIZE, COLOR AND STYLE NUMBER
- 2) S/AG531 – WILL CHECK THAT PREMIUM MESH ON OUTSIDE WILL BE SAME AS REVERSE MESH ON INSIDE OF GARMENT
- 3) EACH AND EVERY GARMENT WILL BE CHECKED FOR THE FOLLOWING;
 - A) STAINS OF ANY KIND
 - B) STICKERS LEFT INBETWEEN MESH FABRIC ON SHORTS
 - C) UNEVEN BOTTOMS ON TANK TOPS EXCEEDING MORE THEN 1 1/2" TO 2".
 - D) TERRIBLE SEWING ON SHOULDER STRAPS OF THE TANK TOPS
 - E) SEE THAT SIZES ARE THE PROPER SIZE REGARDING THE SIZE MUST BE MARKED CORRECTLY EXAMPLE – SM IS SM MED IS MED ETC.
 - F) SHORTS WILL BE CHECKED THAT MESH ISN'T SEWN ON INCORRECT OR REVERSE SIDE OF FABRIC
- 4) S/AG12YM – ON COLOR RED, THE HANG TAGS ARE MARKED WITH COLOR ASH. WILL RECEIVE NEW HANGTAGS AND RE TICKET WITH CORRECT TICKET.

- 5) S/AG777M - WILL RETICKET GOODS, WHICH WILL BE DOWNSIZED AS FOLLOWS SZ S - XS. MED TO SM, LG TO MED, XL TO LG, XXL TO XL
- 6) S/AG101M - CHECK COLOR PURPLE FOR ANY SHADING ISSUES. ALSO, WILL BE CAREFUL ON COLOR PURPLE IN OTHER STYLES AS WELL TO CHECK FOR SHADING.
- 7) ALL CARTONS WILL BE MARKED CORRECTLY OF THE POOR QUALITY GOODS BY STYLE COLOR AND SIZE AND THE SPECIFIC PROBLEM.
NOTE: WILL DETERMINE AT END OF INSPECTION OF ALL PROBLEMS AND DISCUSS WITH HARTWELL AS TO HOW THEY WANT US TO HANDLE.
- 8) PRIORITY LIST OF WHAT TO INSPECT FIRST AND SEND BACK ASAP;
 - A) S/AG12M
 - B) S/AG509M
 - C) S/AG509YM

PLEASE GO OVER THIS LIST AND ADVISE IF YOU FEEL THAT WE HAVE LEFT ANYTHING OUT. BELIEVE BOTH, RICHARD, MYSELF AND THE WAREHOUSE MGM HAVE DISCUSSED ALL IN DETAIL AND AGREED THE ABOVE LIST IS WHAT WE WILL BE CAPABLE OF DOING. ALSO, WE WILL KEEP YOU ADVISED AND GIVE YOU UPDATES AS TO HOW INSPECTION IS GOING EVERY COUPLE OF DAYS. WE UNDERSTAND THAT SPEED IS UTMOST OF IMPORTANCE AND ARE WORKING WITH THIS IN MIND.

EXHIBIT D

DATE: 08/07/2008
TIME: 09:55 amHARTWELL INDUSTRIES, INC.
ACCOUNTS PAYABLE AGING REPORT
DETAILED AS OF 08/09/2008PAGE: 13
MA0500

INVOICE	DUE DATE	FUTURE	0 - 7	8 - 14	15 - 21	22 - 28	OVER 28	TOTAL
0	03/15/2008	-46	0	0	0	0	0	-45.86
10039711	07/06/2008	0	0	0	0	0	22	22.08
10040253	07/09/2008	0	0	0	0	0	87	86.64
10041299	07/11/2008	0	0	0	0	0	97	97.20
10041301	07/11/2008	0	0	0	0	0	261	260.85
10041305	07/11/2008	0	0	0	0	0	26	26.40
10041306	07/11/2008	0	0	0	0	0	172	171.60
10041307	07/11/2008	0	0	0	0	0	41	40.78
10044958	07/23/2008	0	0	0	29	0	0	29.10
10044959	07/23/2008	0	0	0	33	0	0	32.60
10046401	07/26/2008	0	0	72	0	0	0	72.00
10046402	07/26/2008	0	0	257	0	0	0	257.16
10046404	07/26/2008	0	0	105	0	0	0	104.52
10046405	07/26/2008	0	0	51	0	0	0	51.00
10047029	07/27/2008	0	0	52	0	0	0	52.00
10047916	07/31/2008	0	0	79	0	0	0	78.52
10047917	07/31/2008	0	0	235	0	0	0	234.84
10048348	08/01/2008	0	0	90	0	0	0	90.42
10048349	08/01/2008	0	0	261	0	0	0	260.82
10050428	08/09/2008	0	139	0	0	0	0	139.30
10050429	08/09/2008	0	76	0	0	0	0	75.56
1041302	07/11/2008	0	0	0	0	0	693	693.12
** SUBTOTAL **		-46	215	1,201	62	0	1,399	2,830.65

** TOTASP FOREIGN RESOURCES

500293	04/28/2007	0	0	0	0	0	45	44.88
500294	04/28/2007	0	0	0	0	0	8	8.20
500295	04/28/2007	0	0	0	0	0	113	112.84
500296	04/28/2007	0	0	0	0	0	11	10.79
500297	04/28/2007	0	0	0	0	0	275	275.20
500298	04/28/2007	0	0	0	0	0	268	267.84
500299	04/28/2007	0	0	0	0	0	47	46.87
500300	04/28/2007	0	0	0	0	0	14	14.40
500301	04/28/2007	0	0	0	0	0	69	69.42
500302	04/28/2007	0	0	0	0	0	642	641.79
500303	04/28/2007	0	0	0	0	0	790	790.16
500304	04/28/2007	0	0	0	0	0	228	228.00
500305	04/28/2007	0	0	0	0	0	134	134.04
500306	04/28/2007	0	0	0	0	0	1,027	1,026.75
500307	04/28/2007	0	0	0	0	0	687	686.71
500308	04/28/2007	0	0	0	0	0	2,759	2,758.80
500309	04/28/2007	0	0	0	0	0	399	398.76
500310	04/28/2007	0	0	0	0	0	156	156.49
500311	04/28/2007	0	0	0	0	0	3,949	3,948.90
500312	04/28/2007	0	0	0	0	0	122	122.43
500313	04/28/2007	0	0	0	0	0	2,085	2,084.94
500314	04/28/2007	0	0	0	0	0	1,156	1,156.16
500315	04/28/2007	0	0	0	0	0	362	361.92
500316	04/28/2007	0	0	0	0	0	300	299.59
500317	04/28/2007	0	0	0	0	0	139	138.51
500318	04/28/2007	0	0	0	0	0	2,377	2,376.57
500319	04/28/2007	0	0	0	0	0	1,455	1,455.22
500320	04/28/2007	0	0	0	0	0	1,772	1,771.78
500381	08/09/2007	0	0	0	0	0	294	293.70
500382	08/09/2007	0	0	0	0	0	1,316	1,315.71

DATE: 08/07/2008
 TIME: 09:55 am

HARTWELL INDUSTRIES, INC.
 ACCOUNTS PAYABLE AGING REPORT
 DETAILED AS OF 08/09/2008

PAGE: 14
 MA0500

INVOICE	DUE DATE	FUTURE	0 ~ 7	8 ~ 14	15 ~ 21	22 ~ 28	OVER 28	TOTAL
500383	08/09/2007	0	0	0	0	0	308	307.92
500384	08/09/2007	0	0	0	0	0	2,597	2,597.45
500385	08/09/2007	0	0	0	0	0	190	189.86
500386	08/09/2007	0	0	0	0	0	4,348	4,347.53
500387	08/09/2007	0	0	0	0	0	3,700	1,700.28
500388	08/09/2007	0	0	0	0	0	1,315	1,314.77
500389	06/04/2007	0	0	0	0	0	626	625.72
500390	08/09/2007	0	0	0	0	0	750	750.27
500391	08/09/2007	0	0	0	0	0	3,686	3,685.51
500392	08/09/2007	0	0	0	0	0	505	504.96
500393	08/09/2007	0	0	0	0	0	446	446.42
500394	08/09/2007	0	0	0	0	0	178	178.39
500395	08/09/2007	0	0	0	0	0	2,415	2,414.52
500396	08/09/2007	0	0	0	0	0	210	210.44
500397	08/09/2007	0	0	0	0	0	84	83.76
500398	08/09/2007	0	0	0	0	0	98	97.59
500444	09/08/2007	0	0	0	0	0	3,320	3,320.22
500445	09/08/2007	0	0	0	0	0	635	635.24
500446	09/08/2007	0	0	0	0	0	204	204.07
500447	09/08/2007	0	0	0	0	0	2,497	2,496.86
500448	09/08/2007	0	0	0	0	0	4,106	4,106.08
500449	09/08/2007	0	0	0	0	0	281	281.42
500450	09/08/2007	0	0	0	0	0	30	29.86
500451	09/08/2007	0	0	0	0	0	10	10.05
500470	10/08/2007	0	0	0	0	0	300	299.78
500471	10/08/2007	0	0	0	0	0	395	395.12
500472	10/08/2007	0	0	0	0	0	47	47.39
500473	10/08/2007	0	0	0	0	0	43	43.48
500474	10/08/2007	0	0	0	0	0	134	134.31
500475	10/08/2007	0	0	0	0	0	736	736.18
500476	10/08/2007	0	0	0	0	0	412	412.29
500477	10/08/2007	0	0	0	0	0	730	729.65
500478	10/08/2007	0	0	0	0	0	535	534.63
500479	10/08/2007	0	0	0	0	0	1,060	1,060.41
500480	10/08/2007	0	0	0	0	0	1,203	1,202.79
500481	10/08/2007	0	0	0	0	0	205	204.92
500482	10/08/2007	0	0	0	0	0	620	619.82
500483	10/08/2007	0	0	0	0	0	348	347.88
500591	12/09/2007	0	0	0	0	0	1,099	1,099.33
500592	12/09/2007	0	0	0	0	0	90	90.43
500593	12/09/2007	0	0	0	0	0	2,251	2,251.46
500594	12/09/2007	0	0	0	0	0	501	500.88
500595	12/09/2007	0	0	0	0	0	795	795.02
500596	12/09/2007	0	0	0	0	0	4	4.36
500597	12/09/2007	0	0	0	0	0	53	53.02
500598	12/09/2007	0	0	0	0	0	4	4.35
500600	12/09/2007	0	0	0	0	0	4	3.78
500602	12/09/2007	0	0	0	0	0	251	250.99
500603	12/09/2007	0	0	0	0	0	184	184.27
500615	12/13/2007	0	0	0	0	0	196	196.13
500616	12/13/2007	0	0	0	0	0	111	110.88
500617	12/13/2007	0	0	0	0	0	1,101	1,101.16
500618	12/13/2007	0	0	0	0	0	1,429	1,429.25
500619	12/13/2007	0	0	0	0	0	132	131.77
500620	12/13/2007	0	0	0	0	0	438	437.61

3

DATE: 08/07/2008
TIME: 09:55 am

HARTWELL INDUSTRIES, INC.
ACCOUNTS PAYABLE AGING REPORT
DETAILED AS OF 08/09/2008

PAGE: 15
MA0500